

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
FIELDWOOD ENERGY LLC, et al.,	§	Case No. 20-33948 (MI)
	§	
Debtors.¹	§	(Jointly Administered)
	§	

**STIPULATION AND ORDER BETWEEN
DEBTORS AND HELIS OIL & GAS COMPANY, L.L.C.
RESOLVING ADJOURNED ASSUMPTION DISPUTE**

This stipulation and order (the “**Stipulation and Order**”) is entered into by and between (i) Helis Oil & Gas Company, L.L.C. (“**Helis**”), and (ii) Fieldwood Energy LLC and its debtor affiliates in the above captioned chapter 11 cases (collectively, the “**Debtors**”, and together with Helis, the “**Parties**”). The Parties hereby stipulate and agree as follows:

WHEREAS, commencing on August 3, 2020, the Debtors each filed a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”);

WHEREAS, certain of the Debtors and Helis are party to the following agreements:

- (i) Production Handling Agreement relating to SM 268 effective as of January 1, 2008 (including any amendments, supplements, and modifications thereto, the “**Helis SM 268 PHA**”);
- (ii) Participation Agreement dated March 30, 2009; (iii) JOA Memorandum dated March 30, 2009;

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Energy LLC (6778); Fieldwood Energy Inc. (4991); Fieldwood Energy Offshore LLC (4494); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); FW GOM Pipeline, Inc. (8440); GOM Shelf LLC (8107); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422). The Debtors’ primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

(iv) Marketing Election Letter dated March 30, 2010; (v) Joint Operating Agreement ratified on March 16, 2012; (vi) Production Handling Agreement Dated April 27, 2012; (vii) Contract Operations Agreement dated October 19, 2015; and (viii) termination and ratification agreements dated May 1, 2013 and June 1, 2013 (clauses (ii) through (viii), including any amendments, supplements, or modifications thereto, the “**Helis SS 252 Contracts**”);

WHEREAS, on June 3, 2021, Helis filed an *Objection by Helis Oil & Gas Company, L.L.C. to Presumed Proposed Zero Cure Amount for January 1, 2008 SM 268 Production Handling Agreement, in Accordance with Schedule D to May 26, 2021 Plan Supplement [Doc. 1394] and May 27, 2021 Notice to Contract Parties to Executory Contracts and Unexpired Leases of the Schedule of Assumed Contracts and Cure Amounts [Doc. 1395]* (ECF No. 1475) (the “**First Helis Objection**”);

WHEREAS, on June 7, 2021, Helis filed an *Objection by Helis Oil & Gas Company, L.L.C. to Assumption and Allocation of Executory Contracts Related to Abandoned SS 252 Lease and Other Assets and/or to Presumed Proposed Zero Cure Amount, in Accordance with Schedule D to May 26, 2021 Plan Supplement [Doc. 1394] and May 27, 2021 Notice to Contract Parties to Executory Contracts and Unexpired Leases of the Schedule of Assumed Contracts and Cure Amounts [Doc. 1395]* (ECF No. 1508) (the “**Second Helis Objection**”, and together with First Helis, the “**Helis Objections**”);

WHEREAS, on June 25, 2021, the Debtors filed the *Eighth Amended Joint Chapter 11 Plan of Fieldwood Energy LLC and Its Affiliated Debtors* (ECF No. 1742) (the “**Plan**”);²

WHEREAS, on June 25, 2021, the Court entered the *Findings of Fact, Conclusions of Law, and Order (I) Confirming Eighth Amended Joint Chapter 11 Plan of Fieldwood Energy LLC and*

² Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Plan.

Its Affiliated Debtors and (II) Granting Related Relief (ECF No. 1751) (the “**Confirmation Order**”);

WHEREAS, pursuant to paragraph 38 of the Confirmation Order and Section 8.2 of the Plan, the Debtors and Helis agreed to adjourn the Helis Objections to a time after the Confirmation Hearing (the “**Adjourned Assumption Dispute**”); and

WHEREAS, the Parties have negotiated in good faith to resolve the Adjourned Assumption Dispute on the terms and conditions set forth in this Stipulation and Order.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Stipulation and Order, the Parties hereby stipulate and agree as follows:

1. Notwithstanding anything to the contrary reflected in the Schedule of Assumed Contracts or any Apache Definitive Document, the Helis SM 268 PHA shall be deemed rejected as of and subject to the occurrence of the Effective Date of the Plan.

2. The Second Helis Objection having become moot as a result of the Confirmation Order, the Cure Amount with respect to the SS 252 Contracts is \$0.00 and, subject to the occurrence of the Effective Date, the SS 252 Contracts shall be assumed and allocated pursuant to the terms of the Plan and the Confirmation Order.

3. The Debtors may take such other actions as may be reasonably necessary and appropriate to carry out the provisions of this Stipulation and Order, including amending the Schedule of Assumed Contracts and the applicable schedules and exhibits to the Plan of Merger

4. Upon the Bankruptcy Court’s approval and entry of this Stipulation and Order, the Helis Objections shall be deemed withdrawn.

5. This Stipulation and Order is and shall be binding on the Parties and their successors and assigns.

6. The Bankruptcy Court shall retain jurisdiction over all matters related to this Stipulation and Order.

Dated: _____, 2021

HON. MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

IN WITNESS WHEREOF, this Stipulation and Order has been executed and delivered as of the day and year first below written.

Date: August 4, 2021
Houston, Texas

/s/ J. David Forsyth
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– and –

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